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THE ENVIRONMENT FUND

THE USE OF RESOURCES IN 1990-1991 AND THE PROPOSED USE OF PROJECTED RESOURCES IN 1992-1993 AND 1994-1995

Report of the Executive Director

Summary

This report deals with the management of resources of the Environment Fund during 1990-1991, the possible level of resources that will be available for the 1992-1993 biennium and, on the basis of that estimate of resources, the Fund Programme that might be afforded for those years. Suggestions are made concerning the guidance the Council may wish to give the Executive Director on the formulation of a programme for the biennium 1994-1995.

Suggested action by the Governing Council

The Governing Council may wish to take a decision along the following lines:

The Governing Council,

Having considered the annual reports of the Executive Director for 1989 and 1990, as well as his report on the Environment Fund - the use of resources in 1990-1991 and the proposed use of resources in 1992-1993 and 1994-1995, together with his comments on the report of the Board of Auditors on the financial report and audited accounts of the Environment Fund for the biennium 1988-1989 ended 31 December 1989 and on the observations of the Advisory Committee on Administrative and Budgetary Questions thereon,

1. Takes note of the comments of the Executive Director on the report of the Board of Auditors on the financial report and audited accounts of the Environment Fund for the biennium 1988-1989 ended 31 December 1989 and on the observations of the Advisory Committee on Administrative and Budgetary Questions thereon;

2. Expresses appreciation to those Governments that have contributed or pledged to contribute to the Fund at a higher level in 1990 and 1991;

3. Reconfirms the target of $100 million for contributions to the Environment Fund by the year 1992 approved at the fifteenth session of the Council;

4. Decides to set a further target of $245 million for contributions to the Environment Fund by the year 1995;

5. Calls upon all Governments to contribute to the Environment Fund and upon those Governments that have been contributing regularly to increase their contributions to the Fund by at least 35 per cent per annum from the 1992 level of $100 million so that contributions may reach a target of $245 million by 1995;

6. Urges again all Governments to pay their contributions either before the end of the year preceding that to which their contributions relate or as near as possible to the beginning of the year to which they relate;

7. Approves an appropriation of $180 million for Fund Programme activities for the biennium 1992-1993;

8. Decides to apportion the appropriation for Fund Programme activities in that biennium as follows (the full programme for 1990-1991 is shown for comparison):

Programme/Budget line		1992-1993 US Dollars	Percentage	1990-1991	Percentage
1.	Atmosphere	7 000 000	4.0	2 700 000	4.0
2.	Water	8 750 000	5.0	3 400 000	5.0
3.	Terrestrial ecosystems	30 695 000	17.5	11 900 000	17.5
4.	Oceans	18 025 000	10.3	7 000 000	10.3
5.	Lithosphere	1 575 000	0.9	600 000	0.9
6.	Human settlements and environment	3 325 000	1.9	1 300 000	1.9
7.	Human health and welfare	3 675 000	2.1	1 500 000	2.2
8.	Energy, industry and transportation	11 200 000	6.4	4 300 000	6.3
9.	Peace, security and the environment	1 050 000	0.6	400 000	0.6
10.	Environmental assessment	37 975 000	21.7	14 800 000	21.8
11.	Environmental management measures	10 150 000	5.8	3 900 000	5.7
12.	Environmental awareness	23 030 000	13.2	9 000 000	13.2
13.	Technical and regional co-operation	18 550 000	10.6	7 200 000	10.6
	Total Fund Programme activities	**180 000 000**	**100.0**	**68 000 000**	**100.0**

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9. Approves an additional appropriation for Fund Programme activities for the biennium 1992-1993 of $25 million as set out below on the understanding that this additional appropriation will be used only as and when additional resources become available in the Environment Fund after the whole of the core and supplementary programme of $180 million has been initiated and after consultation with the Committee of Permanent Representatives;

10. Approves an appropriation of $10 million to the Fund Programme reserve for the biennium 1992-1993;

11. Reconfirms the Executive Director's authority to adjust the apportionment for each budget line by 20 per cent within the overall appropriation for Fund Programme activities in 1992-1993;

12. Approves an increase in the level of the Financial Reserve to $10 million with effect from 1 January 1992;

13. Stresses again the need to maintain the liquidity of the Fund at all times;

14. Authorizes the Executive Director to enter into forward commitments not exceeding $20 million for Fund Programme activities in 1994-1995; and

15. Requests the Executive Director to draw up a programme for Fund activities in 1994-1995 with a core programme of $270 million, a supplementary programme of $50 million and an additional programme of $100 million.

I. THE BIENNIUM 1990-1991

A. Resources available during 1990

1. By decision 15/1 paragraph V (1), the Governing Council agreed "to set a target of $100 million for contributions to the Environment Fund by the year 1992". In paragraph 2 of the same decision the Council called on all Governments to increase their contributions by at least 35 per cent per annum from the 1 January 1989 level so that this target could be met. As at 31 December 1990, $50.20 million had been paid or pledged tc the Fund by 61 countries in respect of 1990. Another 12 countries are still expected to make contributions for 1990 totalling $2.15 million and thus the total estimate of contributions for 1990 is $52.33 million, as compared with the expected final total for 1989 of $39.17 million, an increase of 33.6 per cent. Of the 61 pledges so far received for 1990, 31 were at a higher level than in 1989, 26 were at the same level and four were at a lower level. The Executive Director is encouraged that so many Governments responded positively and immediately to the Council's target for contributions and that, in aggregate, Governments increased their contributions at a rate very close to the target of 35 per cent per annum. Nevertheless, the Executive Director is concerned that only 73 countries are expected to make a contribution for 1990, as compared with 86 in 1986 and 83 in 1989. Details of the individual contributions paid for the years 1989 and 1990 can be found in the Executive Director's Annual Report for 1990.

2. Although higher contributions increased the cash flow of the Fund, less than 50 per cent of total contributions was received during the first half of the year (47.2 per cent of contributions were received during the first two quarters of 1990). This reversed the trend of the previous few years when

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Governments had tended to pay their contributions earlier in the year, and the Executive Director appeals to all Governments to continue to make payments early in the year and, if possible, to pay before the end of the year preceding that to which the contributions relate. Earlier payment will give the Executive Director greater assurance and flexibility in implementing the 1992-1993 programme. The table below sets out the proportion of contributions received per quarter for the years 1986-1990 inclusive.

Proportion of contributions received in each quarter as a percentage of annual contributions

	1986	1987	1988	1989	1990
January-March	12.8	18.8	33.3	10.7	21.5
April-June	53.5	32.4	29.8	42.7	25.5
July-September	10.5	36.9	14.4	22.8	18.9
October-December	17.0	9.6	17.9	21.0	28.7
After 31 December	6.2	2.3	4.5	2.8	5.4
Total	100.0	100.0	100.0	100.0	100.0

3. Pledged or estimated contributions totalling $2,948,389 (in respect of all years) were outstanding as at 31 December 1990. Given past experience, it seems likely that most of this sum will be paid during 1991, but a small part will probably not be paid at all. A list of all unpaid contributions as at 31 December 1990, including estimated contributions, is set out in the Executive Director's Annual Report for 1990.

4. Although precise details of the Fund's resources and their use in 1990 must await the completion of the financial accounts shortly before the sixteenth session of the Governing Council, at the time of drafting this document, it is already clear that the total resources available to the Fund in 1990 were higher than in any previous year since it was established.

Estimated resources available to the Environment Fund in 1990

	Convertible currency	Non-convertible currency	Total
	(Millions of U.S. dollars)		
Balance of Fund brought forward from 1989 (including unpaid pledges)	19.03	11.52	30.55
Contributions paid by 31 December 1990	43.27	6.23	49.50
Estimated contributions unpaid at 31 December 1990	2.74	0.06	2.80
Other income	3.18	(7.85)	(4.67)
Total resources	68.22	9.96	78.18

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5. It should however be noted that in November 1990, the USSR devalued the exchange value of the rouble to 1.65 roubles to the US dollar. This resulted in a "loss on exchange" in terms of United States Dollars that must be reflected in the UNEP accounts and is shown in the figures above by the negative item against miscellaneous income in non-convertible currencies.

B. Use of resources in 1990

6. The claims on resources and the carry-over of resources at the end of 1990 are expected to be as follows:

	Convertible currency	Non-convertible currency	Total
	(Millions of dollars)		
Programme and programme support costs	13.48	-	13.48
Fund Programme activities and programme reserve activities	27.39	4.96	30.85
Approved supplementary activities	5.21	-	5.21
Less underspending on those activities	(6.52)	(0.50)	(7.02)
Total expenditure	39.56	4.46	44.02
Balance carried forward to 1991	28.66	5.50	34.16

7. The flow and use of resources in 1990 and future years is set out in greater detail in the table annexed to this document.

8. The Executive Director allocated $14.13 million for programme and programme support costs in 1990. Final details of expenditure by object of expenditure will not be available until the accounts are issued at the end of March 1991, but provisional figures indicate that approximately $13.48 million of that allocation was spent. The performance report for programme and programme support costs (UNEP/GC.16/22) sets out revised estimates of expenditure in detail for the biennium 1990-1991. Programme and programme support costs expenditures of $13.48 million for 1990 would represent 25.7 per cent of estimated contributions for 1990, well within the target ceiling of 33 per cent.

9. The Council, by its decision 15/46, paragraph 7, approved an appropriation of $68 million for Fund Programme activities for 1990-1991 of which $60 million was described as the "core" programme and $8 million as the "supplementary" programme. By paragraph 9 of that decision, a further $4 million was approved as an approriation for Fund Programme reserve activities. In view of the improved outlook for resources in 1990 and the

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overall liquidity of the Fund, the Executive Director decided to allocate funds for the implementation of the full programme from the outset, not just a "core" amount as had been the practice in previous biennia. The allocations to budget lines issued by the Executive Director were the same as the apportionment to budget lines approved by the Council. The Executive Director did not, in 1990, exercise the authority given to him by the Governing Council to adjust the approved apportionments for each budget line by up to 20 per cent.

10. Of the total allocation of $72 million for 1990-1991 (including $4 million for the Fund Programme reserve), $36.33 million or approximately 50 per cent, was applied to project commitments in 1990, with the balance held back for use in 1991. Of that total $32.35 million was committed within approved Fund projects.

11. Over and above the approved appropriation for Fund Programme activities of $68 million, the Governing Council, by its decision 15/1.VI, paragraph 3, approved a supplementary appropriation of $35 million for specific activities, to be used "as and when contributions become available" and after consultations with the Committee of Permanent Representatives. In April 1990, after discussion with the Committee of Permanent Representatives, the Executive Director approved an allocation of $7.35 million ("first tranche") against this supplementary appropriation. A further $6.86 million ("second tranche") was approved in consultation with the Committee of Permanent Representatives in December 1990. Of the "first tranche" $4.99 million was committed for 1990 within Fund projects whereas only $0.22 million of the "second tranche" was committed. An analysis of how these funds were allocated to activities as set out in decision GC.15/1 is included in the Executive Director's Annual Report for 1990.

12. If the estimates set out above in paragraphs 4 and 6 prove to be reasonably accurate when compared with the final figures in the Financial Report and Accounts for 1990, there will be a surplus of income over expenditure of approximately $3.61 million. This is the result of a relatively large surplus for convertible currency ($9.63 million) partially offset by a deficit in non-convertible currency ($6.02 million).

C. Outlook for resources in 1991

13. Taking into account the approved target for contributions of $100 million for 1992 and the call to Governments to increase contributions by 35 per cent each year until that year, the Executive Director has adopted for the purpose of programme planning an estimate of contributions for 1991 of $74.00 million. This makes total contributions of $126 million for the biennium 1990-1991. As at 31 December 1990, there were 34 pledges of contributions for 1991 totalling $21.6 million. Seventeen pledges are at a higher level than in 1990, 14 are at the same level and 3 are at a lower level. Collectively, those countries have pledged $2.2 million more than they contributed in 1990, taking into account the lower dollar value of the earlier pledge in USSR roubles. Assuming that Governments that have not yet pledged for 1991 contribute at the same level as in 1990, then final contributions for 1991 would not be much higher than $54 million. However, a number of Governments have indicated to the Executive Director that they are planning to increase their contributions in 1991, although they are not yet in a position to make a formal pledge of their intentions to do so. As mentioned in paragraph 1 above, the Executive Director is concerned by the declining number of Governments contributing to the Environment Fund. He urges all Governments who did not contribute in 1990 to do so for 1991.

14. With the recent devaluation of the Russian rouble and the conversion of the GDR mark into the common German mark, the size of the non-convertible currency programme will, in dollar terms, be smaller than in previous years. Furthermore, with increased levels of convertible currency contributions, non-convertible currencies will only make up approximately 5 per cent of total estimated 1992 contributions of $74 million, whereas in 1990 they made up approximately 12 per cent of total contributions. The Executive Director has therefore decided that for the purposes of financial planning, it is no longer necessary to consider non-convertible currencies separately from convertible currencies.

15. Accordingly, for planning purposes the Executive Director is working on the basis that the resources available for 1991 will be as follows:-

	Millions of dollars
Balance of Fund brought forward from 1990 (including unpaid pledges)	34.16
Contributions for 1990	74.00
Other income	3.00
Total resources	111.16

D. Planned use of resources in 1991

16. On the basis of this estimate of resources available, the Executive Director is planning the following use of resources for 1991:

	Millions of dollars
Programme and programme support costs*	18.78
Fund Programme activities and programme reserve activities (including estimated delayed activities from 1990)	45.62
New office accommodation*	2.51
Supplementary Fund Programme activities (including estimated delayed activities from 1990)	30.83
Less underspending on those activities in 1991	(11.47)
Total expenditure	86.28
Balance to be carried forward to 1992	24.88

*For budgetary purposes, the provision for new office accommodation is included in the budgets for programme and programme support costs. For comparison purposes, the budget for new office accommodation is shown separately here.

17. As explained in paragraph 10 above, the Executive Director has allocated $72 million for Fund Programme and Fund Programme reserve activities during the 1990-1991 biennium ($36.33 million in 1990 and $35.67 million in 1991), of which $32.35 million was committed in 1990. Part of the 1990 commitments will not be spent by the year end and will be rephased to 1991 and, although the exact amounts will not be known until the financial reports and accounts for 1990 are available in April 1991, an estimate of $7.02 million is used in this document. Thus, it is estimated that a total of $45.62 million is available for commitment in 1991. Apart from the estimated carry-over commitment of $7.02 million from 1990 to 1991, $27.51 million had been committed for approved projects by 31 December 1990 making a total of $34.53 million. Thus, of the programme of $45.62 million, only $11.09 million is yet to be programmed for 1991. In addition, however, $30.83 million is available for commitment from the supplementary budget, provided sufficient resources are available.

18. As mentioned in paragraph 11 above, the Governing Council approved a supplementary appropriation of $35 million for specific activities, against which the Executive Director approved an allocation of $7.35 million in April 1990 for a "first tranche" of activities and a further $6.86 million in December 1990 for a "second tranche" of activities.

19. The Executive Director will approve further allocations in 1991 as and when sufficient funds are available, taking into account the need for sufficient cash balances at the end of 1991 to finance the 1992 programme in the first few months of that year before the annual flow of contributions can be expected.

II. THE BIENNIUM 1992-1993

A. The outlook for resources

20. The Executive Director is planning the programme for 1992-1993 on the assumption that contributions will continue to increase at a rate of 35 per cent per annum during 1992 and 1993, resulting in total contributions of $100 and $135 million respectively for the two years. On the basis of this assumption, total resources for 1992-1993 are estimated as follows:

	Millions of dollars
Balance of Fund brought forward from 1991	24.88
Contributions for 1992-1993	235.00
Other income	6.00
Less change in financial reserve	(3.41)
Total resources	262.47

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B. The planned use of resources

21. By its decision 15/46, paragraph 13, the Governing Council requested the Executive Director to draw up a programme for Fund activities and Fund reserve activities in 1992-1993 of $180 million, consisting of a core programme of $150 million and a supplementary programme of $30 million. This decision did not specify the level of the Fund Programme reserve, although in document UNEP/GC.15/10/Add.3/Supplemement 1, the Executive Director suggested that the Fund Programme reserve be established at $10 million.

22. On the basis of the foregoing projection of the resources available in the 1992-1993 biennium, the following use of resources is proposed:

	Million of dollars
Programme and programme support costs*	44.00
New office accommodation*	1.89
Fund programme activities	180.00
Fund programme reserve activities	10.00
Less: underspending	(17.10)
Total expenditure	218.79
Balance carried forward to 1994	43.68

23. The programme as set out in paragraph 22 above is projected to leave some $43.68 million available at the end of 1993, always provided that total contributions increase by 35 per cent per annum. A balance of $43.68 million, if achieved, can be considered as greater than necessary for the financing of activities in the first few months of 1994 and, accordingly, the Executive Director suggests that in the event that contributions are paid in 1992 and 1993 at the level indicated in this document, an "additional programme" should be approved at a level of $25 million that, as in 1990-1991, would be released as and when resources become available.

24. Accordingly, the Executive Director requests the Governing Council to approve, firstly, an appropriation for Fund Programme activities at the full programme level of $180 million with a further appropriation of $10 million for the Fund Programme reserve. Secondly, and in addition, he requests the Governing Council to approve an "additional programme" of $25 million that will come into effect only if contributions do reach the level indicated above. In the event that contributions do not reach the level projected, the Executive Director will not allocate funding to the "additional programme" and will also control allocations for the $180 million programme within the resources actually available, as he has done in the past, giving priority to core activities. In the event that the "additional programme" were committed in full during the course of 1992-1993, the cash balance at the end of 1993 would be $21.23 million.

25. The Executive Director proposes an apportionment to programmes of the $180 million appropriation he requests as follows:

Proposed apportionment of the appropriation for Fund Programme activities, 1992-1993

Programme/Budget line		Core programme dollars	%	Full programme dollars	%
1.	Atmosphere	5 800 000	4.0	7 000 000	4.0
2.	Water	7 250 000	5.0	8 750 000	5.0
3.	Terrestrial ecosystems	25 375 000	17.5	30 695 000	17.5
4.	Oceans	14 935 000	10.3	18 025 000	10.3
5.	Lithosphere	1 305 000	0.9	1 575 000	0.9
6.	Human settlements and environment	2 755 000	1.9	3 325 000	1.9
7.	Human health and welfare	3 045 000	2.1	3 675 000	2.1
8.	Energy, industry and transportation	9 280 000	6.4	11 200 000	6.4
9.	Peace, security and the environment	870 000	0.6	1 050 000	0.6
10.	Environmental assessment	31 465 000	21.7	37 975 000	21.7
11.	Environmental management measures	8 410 000	5.8	10 150 000	5.8
12.	Environmental awareness	19 140 000	13.2	23 030 000	13.2
13.	Technical and regional co-operation	15 370 000	10.6	18 550 000	10.6
	Total Fund Programme activities	145 000 000	100.0	180 000 000	100.0

26. The Executive Director has set out his proposals for the programme and programme support costs budget for 1992-1993 in document UNEP/GC.16/22. That budget is financed from the Environment Fund and is a first charge on it. If approved in full, it will cost $44.00 million for the biennium and will represent 18.7 per cent of the contributions of $235.00 million assumed in paragraph 20 above.

C. The Fund Programme reserve

27. In accordance with rule 209.3 of the Financial Rules of the Fund, a Fund Programme reserve has been established "to meet unforeseen needs to finance anticipated projects or phases of projects and to meet such other purposes as may be determined from time to time by the Governing Council". The Fund Programme reserve provides a means whereby important activities not anticipated in the approved programme of Fund activities can be approved for implementation without having to wait for the following biennium. In particular, the programme reserve is used to charge additional activities approved in decisions of the Governing Council or to accelerate programmes designated by the Council as priority. In the current biennium, 1990-1991, the Fund Programme reserve was fixed at a level of $4 million. This has proved insufficient to maintain the impetus of priority programmes, particularly the organization of meetings called for by Governments and, accordingly, the Executive Director proposes that for 1992-1993, the Governing Council should approve an appropriation for the Fund Programme reserve of $10 million.

III. THE BIENNIUM 1994-1995

28. In his report on Priority Evolving Environmental Issues (UNEP/GCSS.II/2 and Corr. 1 and 2, para. 158) prepared for the second special session of the Governing Council in 1990, the Executive Director suggested, inter alia, that a target for contributions to the Fund in 1995 be set at $245 million. At the request of Governing Council (decision SS.II/1), details of the basis for this substantially increased target have been drawn up and are included in the Introductory Report of the Executive Director entitled "UNEP in the 1990s" (UNEP/GC.16/4). If the Council were to approve such a target, Governments would have first to meet the 1992 target of $100 million. If contributions were then to continue to increase at a rate of 35 per cent per annum, contributions for 1994 and 1995 would be $182 million and $245 million respectively.

29. The Council has in the past given guidance to the Executive Director on the level of the programme that he should draw up for the biennium following that under immediate consideration (i.e. 1993-1994). The level of the programme will of course depend on any target set for contributions. On the assumption that the Council were to agree to a target of $245 million for 1995, the following resources are estimated to be available for the 1994-1995 biennium:

	Millions of dollars
Balance of Fund brought forward from 1993 (including unpaid pledges)	21.23
Contributions paid during 1994-1995	427.00
Other income	6.00
Total resources	454.23

30. If the above outlook for resources is accepted by the Council as a planning figure, the Executive Director might wish to seek approval of a programme and programme support cost budget of approximately $52 million, which would then leave some $430 million for Fund Programme and Fund Programme reserve activities, together with the necessary carry-over to 1996. The Executive Director suggests that he be asked to prepare a programme of $430 million, consisting of a core programme of $270 million, a supplementary programme of $50 million and an additional programme of $100 million for use as and when resources become available. The Fund Programme reserve of, say, $10 million would be regarded as over and above that programme total. The flow and use of resources for such a programme is included in the annex to this document.

31. By its decision 15/46 paragraph 13, the Governing Council authorized the Executive Director to enter into some forward commitments for the next biennium, that is for 1992-1993. As on that occasion, the Executive Director will seek from the Council at its sixteenth session, approval to commit funds in the biennium beyond that covered by the programme budget for 1992-1993, i.e., in 1994-1995. However, while he requested such authority only in the amount of $16 million for 1992-1993, for 1994-1995 he requests authority to commit up to $20 million. This increase is justified by the increase in the size of the programme expected for 1994-1995.

IV. THE FINANCIAL RESERVE

32. The financial reserve of the Environment Fund represents a reserve of cash over and above the "Balance of the Fund". It is accounted for within the statement of assets and liabilities of the Fund in accordance with rule 208.2 of the Financial Rules of the Fund. The financial reserve, which is not to be confused with the Fund Programme reserve was established in accordance with rule 209.2 of the Financial Rules, viz "There shall be established a financial reserve, the level of which shall be determined from time to time by the Governing Council on the recommendation of the Executive Director. The purposes of the financial reserve shall be to guarantee the financial liquidity and integrity of the Fund, to compensate for uneven cash flow and to meet such other similar requirements as may be decided upon by the Governing Council. The latter shall keep the level and composition of the financial reserve under constant review, taking into account the estimated income and expenditure for the following biennium."

33. The Governing Council last considered the level of the financial reserve at its fourteenth session and in paragraph 14 of its decision 14/36, it requested the Executive Director "to adjust the financial reserve in 1988 to a level equivalent to 7.5 per cent of the total programme of the Environment Fund approved by the Council for 1988-1989". The total programme approved for 1988-1989 was $87,846,300 million and the financial reserve was accordingly established in the accounts of the Environment Fund at a level of $6,588,473. The financial reserve was not considered by the Council at its fifteenth session and it remains at the level established in 1988.

34. For 1992-1993, the Governing Council is being asked to approve an aggregate programme of $234 million, 2.7 times the programme approved for 1988-1989. If Governing Council were to apply the same percentage of 7.5 to the aggregate programme proposed for 1992-1993, the Executive Director would have to recommend to the Council that the financial reserve be raised to $17.55 million. Although $17.55 million is equivalent to less than two months average expenditure, taking into account the projected balance of the Fund at the end of each year as shown in the annex to this document, the Executive Director proposes that the financial reserve be raised from its current level of $6,588,473 million to $10 million, equivalent to approximately one month's expenditure to enable him to maintain the liquidity of the Fund at all times as he has been requested regularly at each session of the Governing Council.

ANNEX

FLOW AND USE OF RESOURCES OF THE FUND THROUGH 1995

	1990 Estimate CC	NCC	TOTAL	1991 Projection	1992 Projection	1993 Projection	1994 Projection	1995 Projection
RESOURCES								
(a) Balance of Fund on 1 January	19.03	11.52	30.55	34.16	24.88	17.58	21.23	9.23
(b) Contributions paid by 31 December 1990	43.27	6.23	49.50	0.00	0.00	0.00	0.00	0.00
(c) Estimated contributions due for years shown	2.74	0.06	2.80	74.00	100.00	135.00	182.00	245.00
(d) Miscellaneous income	3.00	-7.67	-4.67	3.00	3.00	3.00	3.00	3.00
(e) Conversion from non-convertible currency balances (PPSC)*	0.18	-0.18	0.00	0.00	0.00	0.00	0.00	0.00
(f) Change in financial reserve	0.00	0.00	0.00	0.00	-3.41	0.00	0.00	0.00
TOTAL RESOURCES	68.22	9.96	78.18	111.16	124.47	155.58	206.23	257.23
CLAIMS ON RESOURCES								
(a) Programme and programme support costs	13.48	0.00	13.48	18.78	21.00	23.00	25.00	27.00
(b) -Fund Programme activities	25.89	4.96	30.85	42.82	90.00	108.00	160.00	182.00
(c) -Fund Programme reserve activities	1.50	0.00	1.50	2.80	5.00	6.00	5.00	6.00
(d) -Additional programme	5.21	0.00	5.21	30.83	10.00	17.00	50.00	60.00
Full programme (i+ii+iii+iv+v+vi)	32.60	4.96	37.56	76.46	105.00	131.00	215.00	248.00
(i) signed commitments Fund programme activities	25.89	4.96	30.85	27.12	2.01	0.14	0.00	0.00
(ii) rephasing of commitments from previous years	0.00	0.00	0.00	7.02	11.47	21.00	19.65	43.00
(iii) necessary extensions and new projects	0.00	0.00	0.00	39.12	86.52	104.86	190.35	200.00
(iv) signed commitments Fund programme reserve activities	1.50	0.00	1.50	0.39	0.00	0.00	0.00	0.00
(v) Fund Programme reserve required	0.00	0.00	0.00	1.61	5.00	5.00	5.00	5.00
(vi) signed commitments supplementary programme	5.21	0.00	5.21	1.20	0.00	0.00	0.00	0.00
(e) Project commitments to be cancelled or rephased to later years	-6.52	-0.50	-7.02	-11.47	-21.00	-19.65	-43.00	-37.20
(f) Total project expenditure (b+c+d-e)	26.08	4.46	30.54	64.99	84.00	111.35	172.00	210.80
(g) New premises expenditures	0.00	0.00	0.00	2.51	1.89	0.00	0.00	0.00
(h) TOTAL CLAIMS (a+f+g)	39.56	4.46	44.02	86.28	106.89	134.35	197.00	237.80
BALANCE OF FUND ON 31 DECEMBER	28.66	5.50	34.16	24.88	17.58	21.23	9.23	19.43

* Programme and Programme Support Costs.

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Item 8 of the provisional agenda

THE ENVIRONMENT FUND

THE USE OF RESOURCES IN 1990-1991 AND THE PROPOSED USE OF PROJECTED RESOURCES IN 1992-1993 AND 1994-1995

Report of the Executive Director

Corrigendum

1. Page 3, paragraph 1

   (a) Line 1: for paragraph V (1) read section V, paragraph 1

   (b) Line 8: for $2.15 million read $2.13 million

2. Page 9, paragraph 21, line 1

   For paragraph 13 read paragraph 14

3. Page 10, paragraph 27, line 3

   For anticipated read unanticipated

4. Page 12, paragraph 33, line 6

   After $87,846,300 delete million

5. Page 12, paragraph 34, line 10

   After $6,588,473 delete million

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ADDITIONAL SOURCES OF FUNDING AND MANAGEMENT OF TRUST FUNDS

Report of the Executive Director

Summary

The present document gives an overview of resources received by UNEP that are additional to the voluntary contributions provided into the Environment Fund. The report is submitted in accordance with Governing Council decision 15/42, which requested the Executive Director to continue his efforts to secure additional sources of funding and to report on the results of his efforts to the Governing Council at its sixteenth session. It covers both cash and in - kind contributions and outlines the different financial arrangements under which contributions are received.

Since trust funds administered by the Executive Director represent an important component of these additional resources, the report summarizes, in chart form, developments relating to such trust funds since the fifteenth session of the Governing Council and also presents the action requested by the Council at that session in this regard.

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Suggested action by the Governing Council

The Governing Council may wish to:

1. Take note of the report on Additional Sources of Funds and Management of Trust Funds and the developments relating to trust funds administered by the Executive Director as described in his Annual Reports for 1989 and 1990;

2. Express its appreciation to Governments, intergovernmental and non-governmental institutions and other organizations that have increased their support to UNEP by means of contributions to trust funds, specific counterpart activities and contributions in kind;

3. Note and approve the establishment by the Executive Director since the fifteenth session of the Governing Council under the authority delegated to him by the Secretary-General, of the following technical co-operation trust funds established under the rules of the Environment Fund:

(a) Technical Co-operation Trust Fund to Assist Developing Countries to Take Action for the Protection of the Ozone Layer under the Vienna Convention and the Montreal Protocol, financed by the Government of Finland through 31 December 1992;

(b) INFOTERRA Technical Co-operation Trust Fund, financed by the Government of the United States of America through 31 December 1993;

(c) Technical Co-operation Trust Fund for the Provision of a Forestry Officer, financed by the Government of the United States of America through June 1991;

(d) Technical Co-operation Trust Fund for the Provision of Junior Professional Officers, financed by the Government of Austria with no fixed expiry date;

(e) Technical Co-operation Trust Fund for the Financing of Professional Officers, financed by the Government of the Republic of Korea through 31 December 1991;

(f) Technical Co-operation Trust Fund to Assist Implementation of the Montreal Protocol on Substances that Deplete the Ozone Layer in Developing Countries, financed by the Swedish International Development Agency through 31 December 1991;

(g) Technical Co-operation Trust Fund for the Provision of Junior Professional Officers, financed by the Government of France with no fixed expiry date;

(h) Technical Co-operation Trust Fund for the Financing of Professional Officers, financed by the Government of Finland with no fixed expiry date;

(i) Technical Co-operation Trust Fund for the Financing of UNEP Activities under the Approved Programme of the Interim Multilateral Fund established under the Montreal Protocol on Substances that Deplete the Ozone Layer;

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4. Note and approve the extension by the Executive Director, under the authority delegated to him by the Secretary-General, of the following technical co-operation trust funds:

(a) Technical Co-operation Trust Fund for Activities in Developing Countries on Environmental Awareness and Machinery, financed by the Government of Germany through 31 December 1992;

(b) Technical Trust Fund to Provide Experts to UNEP/GRID, financed by the Government of Denmark through 31 December 1992;

(c) Technical Co-operation Trust Fund to Support the Clearing-house Mechanism through Provision of Consultancies on Strategies for Dealing with Serious Environmental Problems, financed by the Government of Norway through 31 December 1991;

(d) Technical Co-operation Trust Fund to Assist Developing Countries to Take Action for the Protection of the Ozone Layer under the Vienna Convention and the Montreal Protocol, financed by the Government of Finland through 31 December 1992;

(e) Technical Co-operation Trust Fund to Provide Consultancies to Developing Countries, financed by the Government of Finland through 31 December 1992;

(f) Technical Co-operation Trust Fund to Assist Implementation of the Montreal Protocol on Substances that Deplete the Ozone Layer, financed by the Government of Sweden through 31 December 1992;

(g) Technical Assistance Trust Fund to Promote Technical Co-operation and Assistance in Industrial, Environmental and Raw Material Management, financed by the Government of Sweden through 31 December 1993;

5. Note and approve the closure by the Executive Director of the following technical co-operation trust funds:

(a) Technical Co-operation Trust Fund to Provide Experts to the UNEP Ozone Layer Secretariat, financed by the Government of the United States of America;

(b) Technical Co-operation Trust Fund for the Control of Environmental Health Hazards and Promotion of Chemical Safety, financed by the Government of Germany;

(c) Technical Co-operation Trust Fund to Provide Experts to UNEP to Assist in the Development and Implementation of Policy Response Options Related to Climate Change, financed by the Government of the Netherlands;

(d) Technical Co-operation Trust Fund for the Provision of Junior Professional Officers, financed by the Government of Finland.

6. Approve, subject to the approval of the Secretary-General, the extension of the following general trust funds:

(a) Regional Trust Fund for the Implementation of the Action Plan for the Caribbean Environment Programme until 31 December 1993, subject to confirmation by the meeting of the Contracting Parties;

(b) Regional Seas Trust Fund for the Eastern African Region until 31 December 1993, subject to confirmation by the First Meeting of the Contracting Parties;

(c) Regional Trust Fund for the Implementation of the Action Plan for the Protection and Development of the Marine Environment and Coastal Areas of the East Asian Seas until 31 December 1993, subject to confirmation by the eighth Meeting of the Co-ordinating Body of the Seas of East Asia (COBSEA).

(d) Regional Trust Fund for the Protection and Development of the Marine Environment and Coastal Areas of Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia and the United Arab Emirates until 30 June 1993, subject to confirmation by the eighth Meeting of Regional Organization for the Protection of the Marine Environment of the Council (ROPME);

(e) Trust Fund for the Protection of the Mediterranean Sea Against Pollution until 31 December 1993, subject to confirmation by the Contracting Parties;

(f) Trust Fund for the Protection and Development of the Marine Environment and Coastal Areas of the West and Central African Region until 31 December 1993, subject to confirmation by the third Meeting of the Contracting Parties;

(g) Trust Fund for the Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) until 31 December 1993, subject to confirmation by the Conference of the Parties;

(h) Trust Fund for the Environmental Training Network in Latin America and the Caribbean until 31 December 1993, subject to confirmation by the meeting of the members of the Network;

(i) Trust Fund for the Convention on the Conservation of Migratory Species of Wild Animals (CMS) until 31 December 1993, subject to confirmation by the Conference of the Parties;

7. Note the establishment authorized by the Secretary-General of the general trust fund entitled Trust Fund for the Interim Multilateral Fund under the Montreal Protocol on Substances that Deplete the Ozone Layer from 1 January 1991 through 31 December 1993 and the request made to the Executive Director to administer the Fund;

8. Note and approve the intention of the Executive Director to establish a technical co-operation trust fund to administer the funds expected to be provided to UNEP to implement activities for the Global Environment Facility;

9. Request Governments to continue and increase their support in the form of funds for the employment in the United Nations Environment Programme of additional staff, both Junior Professional Officers and senior staff, including staff from developing countries;

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10. Also request Governments to increase their financial support to specific activities within the programme, provided that this increase is not at the expense of increasing contributions to the Environment Fund;

11. Urge intergovernmental organizations, regional banks, non-governmental organizations and private corporations to increase their financial support to activities within the approved programme.

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INTRODUCTION

1. Although under the procedures of the regular budget of the United Nations, the Environment Fund is regarded as "extra-budgetary" resources, within UNEP additional resources are those that are received over and above voluntary contributions to the Environment Fund. Such additional contributions are received through trust funds established under Article V of the General Procedures governing the Operations of the Fund of the United Nations Environment Programme or as counterpart contributions under rule 204.1 of the Financial Rules of the Fund of the United Nations Environment Programme. In accordance with the latter rule, counterpart contributions may be made in cash or in kind for the cost of specific services and facilities as set out in individual project documents.

2. The present document reviews all contributions to UNEP in 1990 other than those to the Environment Fund. It does not, however, cover contributions to UNEP projects made by co-operating agencies and supporting organizations involved in the implementation of Environment Fund projects on a joint financing basis.

Types of extra-budgetary resources

3. There are basically two types of extra budgetary resources, those received as cash contributions and those received as contributions in kind.

A. Contributions in cash

4. Cash contributions fall into two categories, either as payments made to trust funds or as counterpart contributions to specific projects.

(i) Trust funds

5. Trust funds are classified by the United Nations in two categories: (a) general trust funds and (b) technical co-operation trust funds. As at 31 December 1990, UNEP was administering 39 trust funds, of which 13 were general trust funds and 26 were technical co-operation trust funds. Full details of expenditures under each trust fund will be set out in the Financial Report and Financial Statements for the year ending 31 December 1990, which will be available at the time of the sixteenth session, but at the time this report was prepared, it is estimated that the expenditure administered through general trust funds in 1990 was some $10 million and that that administered through technical co-operation trust funds was some $4 million. These figures can be compared with $6.2 million and $2.0 million respectively in 1989.

6. A comprehensive description of each trust fund extant as at 31 December 1989 is contained in the 1989 Annual Report of the Executive Director. Details of trust funds established during 1990 are contained in the 1990 Annual Report of the Executive Director. This report details the trust funds now being established, as well as any significant developments in the other older trust funds that need to be brought to the attention of the Council.

(a) General trust funds

7. General trust funds are established to support activities other than those which are exclusively of a technical co-operation nature. General trust

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funds may be used, for example, to enhance the work programme of one or more organizational units of the UNEP secretariat. General trust funds may be of a continuing or long-term nature, with annual programming of the resources, or they may be created for specific purposes or for a shorter term. The general trust funds administered by UNEP range from those which were established to finance activities relating to the Regional Seas Programme through those that relate to Conventions concerning migratory species and govern trade in endangered species. Annex I provides brief details of the current position of each of the general trust funds administered by UNEP, as well as the suggested action by the Council in connection with each one.

8. One new general trust fund involving UNEP has been established since the fifteenth session of the Governing Council: a general trust fund for the Interim Multilateral Fund Under the Montreal Protocol on Substances that Deplete the Ozone Layer was established by the Secretary-General from 1 January 1991 through 31 December 1993 at the request made by the Parties to the Montreal Protocol at their Second Meeting, held in London in June 1990. The purpose of this trust fund is to facilitate the transfer of non-ozone depleting technologies to developing countries that are Parties to the Protocol and thus enable them to comply with the control measures set out in the Protocol. Contributions to this trust fund are pledged at $53.33 million per annum over the three-year period. The Executive Director has been requested by the Parties to the Protocol to administer this trust fund, although the greater part of the programme financed through the trust fund will be implemented by the World Bank and the United Nations Development Programme. UNEP does have an implementing role under this programme as well, however, and in order to obtain a clear division between the administration of the funds contributed to the Interim Multilateral Fund and this implementing role, a separate technical co-operation trust fund will be established by the Executive Director to administer the funds allocated for the latter.

9. The Governing Council is requested to note the establishment by the Secretary-General of the General Trust Fund for the Interim Multilateral Fund under the Montreal Protocol on Substances that Deplete the Ozone Layer and to note and approve his intention to establish a technical co-operation trust fund to administer the funds received from the Interim Fund to enable UNEP to undertake activities requested of it by the Executive Committee of the Parties.

(b) Technical co-operation trust funds

10. Technical co-operation trust funds refer to those trust funds which provide economic and social development assistance to developing countries. Such assistance to the recipient countries usually takes the form of experts and associate experts; the financing of individual or group training, such as regional or interregional seminars, workshops and study tours; and the provision of project equipment. During 1990 seven new trust funds, all of them technical co-operation trust funds, were established, thus bringing the total number of technical co-operation trust funds administered by UNEP as at 31 December 1990 to 26. Annex II provides brief details of the current position of each of the technical co-operation trust funds administered by UNEP and the Council is requested to note and approve the Executive Director's actions in each case.

11. Within the category of technical co-operation trust funds are those that are used to administer funds provided by Governments to finance professional

officers to work in UNEP. As at 31 December 1990, there were 24 Junior Programme Officers financed by nine different countries: Austria (one), Denmark (one), Finland (two), France (one), Germany (three), Japan (six), Netherlands (four, one of whom is from a developing country, Nigeria), Norway (two), Sweden (three) and Jamaica (one). Italy has agreed to finance three Junior Professional Officers and the first two of these are due to take up their appointments in early 1991. All but two of these 24 Junior Professional Officers are from developed countries and the Executive Director is most eager that developed countries that finance their own nationals as Junior Professional Officers should also finance some Junior Professional Officers from developing countries. Three developed countries have agreed to do so.

12. There are also six senior professional officers financed by Governments under trust fund arrangements.

13. One other technical co-operation trust fund is expected to be established in 1991. Together with the World Bank and UNDP, UNEP has been invited to be one of the implementing agencies of the Global Environment Facility (GEF) which is expected to become operational towards the middle of the year. UNEP has also been requested to assist developing countries in defining their needs to deal with global environmetal issues supported by the Facility and to help ensure that GEF operate in areas appropriate for the action it finances on the best available scientific and technical advice. In this capacity, UNEP will co-ordinate research and data-gathering and will establish a Scientific and Technical Panel and serve as liaison with the Panel. UNEP activities in connection with GEF will be financed by the Facility and the Executive Director proposes that this financing should be administered through a technical co-operation trust fund. The Governing Council is being requested to note and approve this proposal.

(ii) Counterpart contributions

14. Counterpart contributions are those payments made to UNEP under financial rule 204.1 and used for particular activities implemented within the scope of specific projects. Under the provisions of decision 15/42, paragraph 4, the Executive Director was requested "... to continue his efforts to secure additional support from Governments, intergovernmental organizations, regional banks, non-governmental organizations, and private corporations, whether for additional staff or in the form of counterpart contributions to specific projects or contributions in kind, in accordance with the priorities established by the Governing Council ...".

15. A total of $5.2 million was pledged or paid as counterpart contributions for 54 Environment Fund and trust fund projects during 1990, as compared to $5.0 million for 47 Environment Fund and trust fund projects during 1989. Of these amounts, support activities to the CITES Secretariat accounted for $ 0.5 million and $1.2 million for 1990 and 1989 respectively. Another $0.7 million of the total for 1989 provided support to the Interim Secretariat for the Ozone Protocol which, was to be financed under trust fund arrangements in 1990. Support to the Interim Secretariat of the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes accounted for $0.5 million in 1990 as compared with $0.1 million in 1989. Table 1 below provides a breakdown of the counterpart contributions received during 1989 and 1990.

Table 1: Summary of cash counterpart contributions (pledged or paid) by source of funding

Financed by:	1989 US$	1990 US$
Governments	3 679 380	4 130 142
Public entities	196 244	86 429
International and Inter-governmental Organizations	811 754	569 370
Private entities	166 410	252 837
NGOs	126 704	180 116
TOTAL	4 980 492	5 218 894

16. Out of the total counterpart expenditures of $10.2 million during the 1989-1990 biennium, personnel related costs accounted for approximately $5.4 million. The next largest component, $1.7 million, was used to finance developing country participation at international meetings. Table 2 below provides a breakdown of counterpart contributions by primary object of expenditure.

Table 2: Breakdown of 1989-1990 counterpart contributions by object of expenditure

	US$
Project personnel costs	5.4m
Developing country participation at international meetings	1.7m
Equipment	1.7m
Official travel	0.6m
Publications	0.4m
Miscellaneous	0.4m
TOTAL	10.2m

B. Contributions in kind

17. Contributions "in kind" are made to UNEP in the form of organizational expertise, staff time, equipment or other assistance for which cash payments are not made. Such contributions can come from either government or non-governmental sources in accordance with Governing Council decision 15/42 mentioned above.

18. During 1990, a total of some $0.9 million was received as "in kind" contributions to the Global Resource Information Database (GRID) as compared with approximately $7.9 million in 1989. This difference was due in large measure to the contribution of IBM (Europe) in 1989 of over $6.3 million in the form of computer equipment. Table 3 below provides a breakdown by contributor of in kind contributions to GRID.

Table 3: In-kind contributions to the Global Resource Information Database

	1989 US$	1990 US$	Purpose
Canton of Geneva	750 000	325 000	Office and maintenance costs of GRID Facility in Geneva
City of Geneva	180 000	90 000	Office and maintenance cost of GRID Facility in Geneva
NASA, USA	400 000	100 000	Computer system support
University of Geneva	160 000	80 000	Staff time
University of Zurich	80 000	40 000	Staff time
Environmental Systems Research Institute	50 000	300 000	Computer software
IBM (Europe)	6 315 789	-	Computer equipment
Total	7 935 789	935 000	

19. An important source for environmental aid to less developed countries under counterpart funding arrangements has been the Arab Gulf Programme for the United Nations Development Organizations (AGFUND). So far, activities with AGFUND support have been initiated in Bahrain, Benin, Burkina Faso, Djibouti, Egypt, Mauritania, Peru, Sudan and Yemen. During 1990, two new projects were approved for funding by AGFUND: one in Uganda (with an AGFUND counterpart contribution of $100,000) and another in Djibouti (with an AGFUND counterpart contribution of $250,000). Furthermore, the Clearing-house unit is currently awaiting AGFUND's decision on four project proposals submitted for possible support in 1991.

(b) Staff attachments

20. From time to time, UNEP has received in kind contributions from Governments and institutions in the form of loan of staff on a non-reimbursable basis. These arrangements however, are being allowed to lapse since the Executive Director prefers that all staff financed by Governments or others should work in UNEP as UNEP staff members subject to the United Nations Staff Rules that apply to all. During 1990, there were three staff attachments, but this had dropped to only one by the end of the year.

Annex I

GENERAL TRUST FUNDS

TITLE OF TRUST FUND	ESTABLISHMENT DATE	PRESENT EXPIRY DATE	ACTIONS TAKEN SINCE THE FIFTEENTH SESSION OF THE UNEP GOVERNING COUNCIL/RECOMMENDED ACTIONS
Regional Trust Fund for the Implementation of Action Plan for the Caribbean Environment Programme	1981	31 December 1991	An extension of the duration through 31 December 1991 was approved by the Secretary-General. No request for further extension has been received, but it is expected that the Third Conference of the Parties, meeting in April 1991, will request the extension through 31 December 1993. The Executive Director recommends that the Governing Council approve the extension on a contingency basis, subject to the approval of the Secretary-General.
Trust Fund for the Convention of International Trade in Endangered Species of Wild Fauna and Flora (CITES)	1979	31 December 1991	An extension of the duration through 31 December 1991 was approved by the Secretary-General. No request for further extension has been received, but it is expected that the eighth Conference of Parties, meeting in March 1992, will request the extension through 31 December 1993.

TITLE OF TRUST FUND	ESTABLISHMENT DATE	PRESENT EXPIRY DATE	ACTIONS TAKEN SINCE THE FIFTEENTH SESSION OF THE UNEP GOVERNING COUNCIL/RECOMMENDED ACTIONS
			Executive Director recommends that the Governing Council approve the extension on a contingency basis subject to the approval of the Secretary-General.
Regional Seas Trust Fund for the East African Region	1986	31 December 1991	An extension of the duration through 31 December 1991 was approved by the Secretary-General. No request for further extension has been received, but it is expected that the First Meeting of the Contracting Parties in September 1991 will request an extension through 31 December 1993. The Executive Director recommends that the Governing Council approve the extension on a contingency basis, subject to the approval of the Secretary-General.
Regional Trust Fund for the Implementation of the Action Plan for the Protection and Development of Marine Environment and Coastal Areas of East Asia Seas	1981	31 December 1991	An extension of the duration through 31 December 1991 was approved by the Secretary-General. No request for further extension has been received but it is expected that the 9th Meeting of the Co-ordinating Body of the Seas of East Asia (COBSEA) in April 1991 will request for the extension thorugh 31 December 1991.

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TITLE OF TRUST FUND	ESTABLISHMENT DATE	PRESENT EXPIRY DATE	ACTIONS TAKEN SINCE THE FIFTEENTH SESSION OF THE UNEP GOVERNING COUNCIL/RECOMMENDED ACTIONS
			A request for further extension of the trust fund through 31 December 1993 has been received from the Seventh Ministerial Meeting on Environment held in October 1990. The Executive Director recommends that the Governing Council approve the extension on a contingency basis, subject to the approval of the Secretary-General.
Regional Trust Fund for Protection and Development of Marine Environment and Coastal Areas of Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia and United Arab Emirates	1978	30 June 1991	An extension of the duration through 31 June 1991 was approved by the Secretary-General. No request for further extension has been received, but it is expected that the Eighth Meeting of the Council for the Regional Organization for the Council for the Protection of the Marine Environment will request the extension through 31 December 1993.
			The Executive Director recommends that the Governing Council approve the extension on a contingency basis, subject to the approval of the Secretary-General.

TITLE OF TRUST FUND	ESTABLISHMENT DATE	PRESENT EXPIRY DATE	ACTIONS TAKEN SINCE THE FIFTEENTH SESSION OF THE UNEP GOVERNING COUNCIL/RECOMMENDED ACTIONS
Trust Fund for Protection of the Mediterranean Sea Against Pollution	1979	31 December 1991	An extension of the duration through 31 December 1991 was approved by the Secretary-General. No request for further extension has been received, but it is expected that the Seventh Meeting of the Contracting Parties in September 1991 will request the extension through 31 December 1993. The Executive Director recommends that the Governing Council approve the extension on a contingency basis, subject to the approval of the Secretary-General.
Trust Fund for the Montreal Protocol on Substances that Deplete the Ozone Layer	1989	31 March 1993	The activities under the Trust Fund are progressing well and Parties are being urged to make timely contributions. No request for further extension has been received, but it is expected that the Third Meeting of the Contracting Parties in June 1991 will request the extension through 31 June 1995. The Executive Director recommends that the Governing Council approve the extension on a contingency basis, subject to the approval of the Secretary-General.

TITLE OF TRUST FUND	ESTABLISHMENT DATE	PRESENT EXPIRY DATE	ACTIONS TAKEN SINCE THE FIFTEENTH SESSION OF THE UNEP GOVERNING COUNCIL/RECOMMENDED ACTIONS
Trust Fund for the Convention on Conservation of Migratory Species of Wild Animals (CMS)	1986	31 December 1991	An extension of the duration through 31 December 1991 was approved by the Secretary-General. No request for further extension has been received but it is expected that the Third Meeting of the Contracting Parties in September 1991 will request the extension through 31 December 1993. The Executive Director recommends that the Governing Council approve the extension on a contingency basis, subject to the approval of the Secretary-General.
Trust Fund for the Sasakawa Environment Prize	1982	Not Fixed	Mr. Lester Brown, President of the Worldwatch Institute was granted the 1989 award, while the 1990 was posthumously granted to Mr. Chico Mendez, a Brazilian forest conservationist. No action is required at this time.
Trust Fund for the Environment Stamp Conservation Fund	1984	Not Fixed	The seven natural conservation projects financed under the Fund were completed in 1989 and the balance of funds will be used for an FAO project in Latin America and the Caribbean.

TITLE OF TRUST FUND	ESTABLISHMENT DATE	PRESENT EXPIRY DATE	ACTIONS TAKEN SINCE THE FIFTEENTH SESSION OF UNEP GOVERNING COUNCIL/RECOMMENDED ACTIONS
			No action is required at this time. The trust fund will be closed once all funds are spent.
Trust Fund for the Vienna Convention for the Protection of the Ozone Layer	1989	31 March 1993	The activities under the trust fund are progressing well. No request for further extension has been received, but it is expected that the Third Meeting of the Contracting Parties in June 1991 will request the extension through 31 March 1993. The Executive Director recommends that the Governing Council approve the extension on a contingency basis, subject to the approval of the Secretary-General.
Trust Fund for the Protection and Development of Marine Environment and Coastal Areas of West and Central African Region	1981	31 December 1991	An extension of the duration through 31 December 1991 was approved by the Secretary-General. No request for further extension has been received, but it is expected that the Third Meeting of the Contracting Parties, scheduled for 1991 but with no firm dates yet fixed, will request the extension through 31 December 1993.

TITLE OF TRUST FUND	ESTABLISHMENT DATE	PRESENT EXPIRY DATE	ACTIONS TAKEN SINCE THE FIFTEENTH SESSION OF UNEP GOVERNING COUNCIL/RECOMMENDED ACTIONS
			The Executive Director recommends that the Governing Council approve the extension on a contingency basis, subject to the approval of the Secretary-General.
Trust Fund for the Interim Multilateral Fund Under the Montreal Protocol on the Substances that Deplete the Ozone Layer	1991	31 December 1993	The establishment of the trust fund was approved by the Secretary-General through 31 December 1993. The Secretariat of this trust fund is operating and based in Montreal as directed by the Executive Committee of the Montreal Protocol. The Governing Council is requested to note and approve.

Annex II

TECHNICAL CO-OPERATION TRUST FUNDS

TITLE OF TRUST FUND	ESTABLISHMENT DATE	PRESENT EXPIRY DATE	ACTIONS TAKEN SINCE THE FIFTEENTH SESSION OF THE UNEP GOVERNING COUNCIL/RECOMMENDED ACTIONS
Technical Co-operation Trust Fund to Provide Consultancies to Developing Countries (Financed by the Government of Finland)	1986	31 December 1992	An extension through 31 December 1992 has been approved by the Executive Director. The Governing Council is requested to note and approve this action.
Technical Co-operation Trust Fund for Financing of Professional Officers (Financed by Government of Finland)	1986	Not fixed	The scope of the trust fund has been widened ani changed in order to cover all Finnish Government financed professionals in UNEP. The Executive Director has approved the change and its extension so that it has no fixed expiry date. The Governing Council is requested to note and approve.
Technical Co-operation Trust Fund to Support the Clearing-house Mechanism with Consultancies on Strategies for Dealing with Serious Environment Problems (Financed by the Government of Norway)	1985	31 December 1991	An extension through 31 December 1991 has been approved by the Executive Director to allow the completion of the last consultancy in Uganda. The Governing Council is requested to note and approve.

TITLE OF TRUST FUND	ESTABLISHMENT DATE	PRESENT EXPIRY DATE	ACTIONS TAKEN SINCE THE FIFTEENTH SESSION OF THE UNEP GOVERNING COUNCIL/RECOMMENDED ACTIONS
Technical Co-operation Trust Funds for Control of Environmental Health Hazards and Promotion of Chemnical Safety (Financed by the Government of Germany)	1985	31 December 1989	The two projects funded under this trust fund have been completed and the trust fund is being closed.
Technical Co-operation Trust Fund for Activities in Developing Countries on Environmental Awareness and Machinery (Financed by the Government of Germany)	1988	31 December 1992	An extension through 31 December 1992 has been approved by the Executive Director. The Governing Council is requested to note and approve this action.
Technical Co-operation to Provide Experts to UNEP Ozone Layer Secretariat (Financed by the Government of USA)	1989	31 December 1990	One expert was engaged in the Ozone Secretariat and he has completed his assignment. The trust fund is being closed.
Technical Co-operation Trust Fund for Provision of a Forestry Officer (Financed by the Government of USA)	1990	30 June 1991	The Executive Director approved the establishment of the trust fund and one expert has been appointed.
Technical Co-operation Trust Fund for Establishment of a GRID Centre in Arendal (Financed by the Government of Norway)	1989	31 December 1992	The activities under the trust fund have been progressing well. No action is required at this time.

TITLE OF TRUST FUND	ESTABLISHMENT DATE	PRESENT EXPIRY DATE	ACTIONS TAKEN SINCE THE FIFTEENTH SESSION OF THE UNEP GOVERNING COUNCIL/RECOMMENDED ACTIONS
Technical Co-operation Trust Fund to Provide Experts to UNEP/GRID (Financed by the Government of Denmark)	1987	31 December 1992	One expert is currently engaged and the Executive Director has approved the change in the financing of the trust fund by the the Government of Denmark only. (Formerly financed by the Government of Denmark and the Government of Finland). The Governing Council is requested to note and approve this action.
Technical Co-operation Trust Fund to Assist the Implementation of the Montreal Protocol on Substances that Deplete the Ozone Layer in Developing Countries (Financed by the Government of Sweden)	1990	31 December 1991	The Executive Director approved the establishment of the trust fund through 31 December 1991. The Governing Council is requested to note and approve this action.
INFOTERRA Technical Co-operation Trust Fund (Financed by the Government of USA)	1990	31 December 1993	The Executive Director approved the establishment of the trust fund through 31 December 1993. The Governing Council is requested to note and approve this action.
Technical Assistance Trust Fund to Promote Technical Co-operation and Assistance in Industrial, Environmental and Raw Material Management (Financed by the Government of Sweden)	1985	31 December 1993	The Executive Director approved the extension of the trust fund through 31 December 1993. The Governing Council is requested to note and approve this action.

TITLE OF TRUST FUND	ESTABLISHMENT DATE	PRESENT EXPIRY DATE	ACTIONS TAKEN SINCE THE FIFTEENTH SESSION OF THE UNEP GOVERNING COUNCIL/RECOMMENDED ACTIONS
Technical Assistance Trust Fund for the Integrated Pilot Project on Environmental Management and protection of Andean Ecosystems (Financed by the Government of Germany)	1984	31 December 1992	The Government of Germany has agreed to extend the support to the trust fund through 31 December 1992 and the Executive Director has extended it to that date. The Governing Council is requested to note and approve this action.
Technical Co-operation Trust Fund to Provide Experts to UNEP to Assist in the Development and Implementation of Policy Response Options Related to Climate Change (Financed by the Government of the Netherlands)	1989	31 December 1990	One expert was engaged in the Ozone Secretariat and he has completed his assignment. The trust fund is being closed.
Technical Co-operation Trust Fund for Provision of Junior Professional Officers (Financed by the Government of Austria)	1990	Not fixed	The Executive Director approved the establishment of the trust fund with no fixed expiry date. Two JPOs are currently working at UNEP. The Governing Council is requested to note and approve this action.
Special Purpose Trust Fund for Provision of Junior Professional Officers (Financed by the Government of Denmark)	1981	Not fixed	Four JPOs completed their assignments in 1990 and there are currently none working at UNEP.

TITLE OF TRUST FUND	ESTABLISHMENT DATE	PRESENT EXPIRY DATE	ACTIONS TAKEN SINCE THE FIFTEENTH SESSION OF THE UNEP GOVERNING COUNCIL/RECOMMENDED ACTIONS
Technical Co-operation Trust Fund for Provision of Junior Professional Officers (Financed by the Government of Finland)	1988	31 December 1989	All JPOs have been moved to the trust fund for all Finnish Government-financed professionals. The trust fund is being closed.
Special Purpose Trust Fund for Provision of Junior Professional Officers (Financed by the Government of Germany)	1983	Not fixed	Two JPOs completed their assignments during 1990 and there are currently three JPOs working at UNEP.
Technical Co-operation Trust Fund for Provision of Junior Professional Officers (Financed by the Government of the Netherlands).	1988	Not fixed	There are four JPOs currently working at UNEP.
Technical Co-operation Trust Fund for Provision of Junior Professional Officers (Financed by the Government of Italy)	1989	Not fixed	The trust fund was established by the Executive Director in 1989 with no fixed expiry date. Two JPOs are being recruited to work at UNEP. The Governing Council is requested to note and approve this action.
Technical Assistance Trust Fund for Provision of Junior Professional Officers (Financed by the Government of Japan)	1985	Not fixed	Three JPOs completed their assignments at UNEP during 1990; currently five are still working at UNEP.

TITLE OF TRUST FUND	ESTABLISHMENT DATE	PRESENT EXPIRY DATE	ACTIONS TAKEN SINCE THE FIFTEENTH SESSION OF THE UNEP GOVERNING COUNCIL/RECOMMENDED ACTIONS
Technical Co-operation Trust Fund for Financing of Professional Officers (Financed by the Government of Korea)	1990	31 December 1991	The Executive Director approved the establishment of the trust fund expiring on 31 December 1991. One professional is working at UNEP. The Governing Council is requested to note and approve this action.
Special Purpose Trust Fund for Provision of Junior Professional Officers (Financed by the Government of Norway)	1982	Not fixed	Two JPOs are currently working at UNEP.
Technical Co-operation Trust Fund for Provision of Junior Officers (Financed by the Government of France)	1990	Not fixed	The Executive Director approved the establishment of the trust fund with no fixed expiry date. One JPO is currently working at UNEP. The Governing Council is requested to note and approve this action.
Technical Co-operation Trust Fund for Provision of Junior Professional Officers (Financed by the Government of Sweden)	1988	Not Fixed	Three JPOs are currently working at UNEP.

TITLE OF TRUST FUND	ESTABLISHMENT DATE	PRESENT EXPIRY DATE	ACTIONS TAKEN SINCE THE FIFTEENTH SESSION OF THE UNEP GOVERNING COUNCIL/RECOMMENDED ACTIONS
Technical Co-operation Trust Fund to Assist Developing Countries to take Action for Protection of the Ozone Layer Under the Vienna Convention and Montreal Protocol (Financed by the Government of Finland).	1990	31 December 1992	The trust fund was established by the Executive Director in January 1990 and he has since extended it through 31 December 1992. The trust fund has helped the developing countries in acting to protect the ozone layer under the Montreal Protocol and Vienna Convention. The Governing Council is requested to note and approve this action.

SPECIAL ACCOUNT OPERATED BY UNEP

TITLE OF TRUST FUND	ESTABLISHMENT DATE	PRESENT EXPIRY DATE	ACTIONS TAKEN SINCE THE FIFTEENTH SESSION OF THE UNEP GOVERNING COUNCIL/RECOMMENDED ACTIONS
Special Account to Finance the Implementation of the Plan of Action to Combat Desertification.	1979	Not fixed	One project is being implemented under the trust fund.